CLASSIFIED MESSAGE

DATE : 20 MAY 54

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FOR RELEASE, 93

то :

DIRECTOR

FROM:

LINCOLN

ACTION:

WH (PBS)(1-3)

INFO :

WH (4), DCI (5), D/DCI (6), DD/P (L)(7), A/DD/P/P (8), SA/PC-DCI (9)

LING 2885 (IN 19148)

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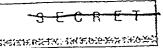
ROUTINE

TO: DIR

CITE: SLING

RYBAT PBSUCCESS

- 1. TAKING OVERALL LOOK AT CENTRAL AMERICAN SITUATION,
 BELIEVE VARIETY OF PRESENT AND FORESEEABLE FACTORS WARRANT
 ODACID CONSIDERATION OF PROMPT AND GENEROUS DDYOKE ECONOMIC AID
 PROGRAM TO ALL CENTRAL AMERICAN STATES, TO INCLUDE WSBURNT WHEN
 IT SHEDS COMMIES. FACTORS ARE:
- A. MEXICAN DEVALUATION CRISIS, MAKING COUNTRY MORE AMENABLE TO ODYOKE GUIDANCE
- B. WSHOOFS LABOR UNREST AND NEED TO STRENGTHEN HAND OF PRO-PBPRIME FORCES PRIOR OCTOBER ELECTION
- C. LCPANGS CONFLICTS WITH PBPRIME BUSINESS INTERESTS,
 ANIMOSITY TO KMFLUSH, LATENT OR REAL AID TO COMMIES (ALREADY
 BEING DEALT WITH BY ODACID)
- D. APPROPRIATENESS OF RECOGNITION KMFLUSH SERVICES
 TO ODYOKE AND ADVISABILITY STRENGTHENING STORAX HAND AT HOME
 - E. DIFROGS RELUCTANCE TO AID ODYOKE
 - F. ODYOKE DIFFICULTIES WITH HTPLUME OVER CANAL AGREEMENT



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- 2. FOREGOING FACTORS COULD BE DEALT WITH THROUGH EARLIEST INITIATION ECONOMIC AID CONFERENCE (IN MEXICO CITY?). WITH REPRESENTATIVES OF ODYOKE AND ABOVE 6 COUNTRIES. ODYOKE STIPULATIONS FOR AID WOULD BE AGREEMENT ON ANTI-COMMUNIST POSITION, MODERATION OF CENTRAL AMERICAN RIVALRIES, EQUITABLE TREATMENT OF PBPRIME COMMERCIAL INTERESTS.
- 3. MOVE WOULD HELP STILL CRITICISMS OF LACK OF AID VOICED AT CARACAS.
- 4. BY APPEARING BE THE MAJOR ODYOKE THRUST AGAINST WSBURNT, AND PROGRAM WOULD HELP CONCEAL PBSUCCESS COVERT ACTION.
- 5. BY ALIGNING SUPPORT FOR ANTI-COMMUNISM, MOVE WOULD PERMIT MORE RAPID, WHOLEHEARTED CENTRAL AMERICAN ENDORSEMENT OF NEW WSBURNT GOVERNMENT WHEN PBSUCCESS SUCCESSFUL.
- 6. CONFERENCE TO LAUNCH AID OFFER COULD HAVE VACANT CHAIR SYMBOLICALLY RESERVED FOR WSBURNTS, WITH CLEAR OR IMPLIED STATE-MENT WSBURNTS WILL SHARE IN AID WHEN ANTI-COMMIE. THIS MIGHT HAVE BENEFICENT EFFECT ON WSBURNT OPINION PRIOR D DAY.
- 7. IN CONTEXT IRON CURTAIN ARMS SHIPMENT TO WSBURNT, C INFERENCE WOULD CONTRAST ODYOKE PEACEFUL AID WITH COMMIE MILITARISM.
 - 8. LAUNCHING PROGRAM SOONEST COULD ALSO CUSHION POSSIBLE

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UNFAVORABLE CENTRAL AMERICAN REACTION TO AID EXTENSION TO WSBURNT AFTER PBSUCCESS. IF THEN RECENTLY COMMIE COUNTRY ALONE GETS AID, OTHERS COULD TAKE UMBRAGE. BUT IF ANTI-COMMIES ARE OFFERED AID FIRST, INCLUSION OF WSBURNT WHEN IT ANTI-COMMIE WILL BE EASIER.

- 9. EARLY CONVOCATION (APPROX 1 JUNE) OF EXPLORATORY CON-FERENCE COULD KEEP DISCUSSION SUFFICIENTLY GENERAL TO AVOID CONTROVERSY AND YET REAP BENEFITS OF ODYOKE GESTURE.
- 10. EVEN PBSUCCESS ATTAINMENT OF OBJECTIVES IN WSBURNT WILL PROBABLY NOT ELIMINATE NEED FOR MORE BORAD-GUAGED PROGRAM FOR CENTRAL AMERICA.
- 11. RECO.MEND EXPLORATION OF FOREGOING WITH ODACID.
 PLS ADVISE.

END OF MESSAGE